REMARKS

Claims 1-7 and 13-20 are pending. Claim 1 is amended herein to include the limitation of a phase difference film in contact with the linear polarizer. Claims 8-12 and 21-37 have been withdrawn from consideration in response to the restriction requirement dated June 28, 2005.

Rejections Under 35 U.S.C. § 102

The Examiner asserted that Applicant admitted prior art (AAPA) anticipates claim 1 under U.S. 102(e). Applicants have amended claim 1 to include the limitation of a phase difference film in contact with the linear polarizer, and therefore respectfully request that the Examiner withdraw this rejection.

Rejections Under 35 U.S.C. § 103

The Examiner asserted that claims 2-3, 6-7, 13-14, and 19-20 are unpatentable over AAPA in view of U.S. 6,641,874 (Kuntz et al.) under 35 U.S.C. § 103. Applicants respectfully disagree.

Independent claim 2 requires "a linear polarizer directly coated on the phase difference film," and independent claim 13 requires "forming a linear polarizer by directly coating liquid crystal on the phase difference film." Claims 3 and 6-7 are dependent on claim 2, and claims 14 and 19-20 are dependent on claim 13.

The Examiner asserted that "it would have been obvious to those skilled in the art at the time the invention was made to modify the optical film of AAPA with the teachings of the linear polarizer directly coating liquid crystal on the QWF (functions as a phase difference film) as taught by Kuntz…" thereby arriving at the limitations of present claims 2 and 13. According to the Examiner, the motivation for combining the optical film of AAPA with the linear polarizer/QWF of Kuntz is "enhancing the color effect and improving the brightness, since the QWF having optical retardation causes an additional phase shift." (Emphasis added.)

Applicants first point out that the Examiner has erroneously connected the generation of a phase shift with an improvement in brightness. There is no such teaching or suggestion in Kuntz. Kuntz does, however, make a connection between the generation of a phase shift and an enhancement of the color effect, as will be discussed below. The problem with this part of the Examiner's argument is that a phase shift and the consequent enhancement in the color effect as taught by Kuntz are completely undesirable in the present invention.

One of ordinary skill in the art would know that manufacturers of liquid crystal displays are developing technologies to mitigate – not cause – phase shift, which leads to viewing angle dependent color effects, i.e., changes in the displayed image with viewing angle. Indeed, in the present application, a compensation film is provided for the very purpose of correcting for phase shift (also referred to as color shift). As recited in the disclosure of the present application (paragraph [0055]): "Then, the pitch size of the cholesteric liquid crystal which light experiences is varied depending on the incident angle of the incident light, so that the wavelength of the reflected light changes. Therefore, since color shift in which the color of the light that is not reflected but transmitted in the incident light changes is caused according to the viewing angle of an observer, the compensation film can be disposed on the circular polarizer so as to compensate for the color shift." (Emphasis added.)

Applicants point out that the invention of Kuntz is directed toward "multilayer reflective films...wherein the reflection characteristics are dependent on the viewing angle" (col. 1, lines 6-9) for use in "cosmetic, decorative, or security applications." (col. 1, lines 11-12). In contrast to the present invention, it is desirable for reflective films used in these applications to have viewing angle dependent color effects. For example, Kuntz teaches (col. 6, lines 6-8) that: "The retardation layer causes an additional phase shift of the light reflected by the reflective layer. This leads to an increased color change of the multilayer film and to particularly striking angle dependent color effects." The reference also teaches (col. 1, lines 32-36) that "angle dependent color effects can be exploited in various applications, such as inks or lacquers for decorative use like e.g. for car bodies, or security uses like no-forgeable markings on banknotes or documents of value."

Clearly, a color shift and enhanced color effects are desirable in the art of reflective coatings for cosmetic, decorative or security applications. They are not desirable, however, in the art of liquid crystal displays. Therefore, the assertion of the Examiner that it would have been obvious to modify the optical film of AAPA with the linear polarizer/QWF of Kuntz "for enhancing the color effect…since the QWF having optical retardation causes an additional phase shift" makes no sense in the context of the present invention.

To establish a *prima facie* case of obviousness, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. (MPEP 2143) Merely finding the same materials being used in dissimilar situations does not constitute evidence of a motivation to combine. "Substantially all inventions are the combination of old elements; what counts is the selection out of all their possible permutations, of that new combination which will be serviceable." Safety Car Heating and Lighting Co. v. General Electric Co., 155 F.2d, 937, 939 (2d Cir, 1946). The Examiner has not provided a motivation to combine reference teachings, and therefore has not established a *prima facie* case of obviousness. Applicants therefore respectfully request that the rejections of claims 2-3, 6-7, 13-14, and 19-20 under 35 U.S.C. § 103 be withdrawn.

The Examiner asserted that claims 4-6 and 16-17 are unpatentable over AAPA and Kuntz as applied to claims 2-3, 6-7, 13-14, and 19-20, and further in view of U.S. 6,882,386 B2 (Moon et al.) under 35 U.S.C. § 103.

The Examiner also asserted that claim 15 is unpatentable over AAPA and Kuntz as applied to claims 2-3, 6-7, 13-14, and 19-20 above, and further in view of U.S. 5,110,623 (Yuasa et al.).

The Examiner also asserted that claim 18 is unpatentable over AAPA and Kuntz as applied to claims 2-3, 6-7, 13-14, and 19-20 above, and further in view of U.S. 6,879,356 (Hsieh et al.).

Applicants respectfully disagree. As explained above, the Examiner has not provided a motivation to combine reference teachings to support a 35 U.S.C § 103

rejection of claims 2 and 13. Rejected claims 4-6 are dependent on claim 2, and rejected claims 16-17, 15, and 18 are dependent on claim 13. Therefore, per the preceding arguments, a *prima facie case* of obviousness has not been established. Applicants respectfully request that the rejections of claims 4-6 and 16-17, claim 15, and claim 18 under 35 U.S.C. § 103 be withdrawn.

Summary

Applicants believe that currently pending claims 1-7 and 13-20 are in condition for allowance. The Examiner is invited to contact the undersigned attorney for the Applicants via telephone if such communication would expedite allowance of this application.

Respectfully submitted,

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